Hearing Date: November 28, 2000 at 10:00 a.m.

Gerald C. Bender (GB-5849) Lawrence A. First (LF-9650) FRIED, FRANK, HARRIS, SHRIVER & JACOBSON (A Partnership Including Professional Corporations) Attorneys for Debtors and Debtors-in-Possession One New York Plaza New York, New York 10004 (212) 859-8000

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

- - - - - - - x In re:

CENTERS, INC., et al.,

Debtors. :

: Chapter 11

Case Nos. 00 B 41065 (SMB) RANDALL'S ISLAND FAMILY GOLF : through 00 B 41196 (SMB)

(Jointly Administered)

NOTICE OF HEARING WITH RESPECT TO MOTION FOR AN ORDER PURSUANT TO 28 U.S.C. § 1452 AND RULES 9006 AND 9027 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE EXTENDING PERIOD WITHIN WHICH DEBTORS MAY REMOVE ACTIONS

PLEASE TAKE NOTICE that, on November 15, 2000, the above-captioned debtors and debtors-in-possession (the "Debtors") filed with the United States Bankruptcy Court for the Southern District of New York their motion (the "Motion") for an order pursuant to 28 U.S.C. § 1452 and Rules 9006 and 9027 of the Federal Rules of Bankruptcy extending the period within which the Debtors may remove actions.

PLEASE TAKE FURTHER NOTICE that a hearing to consider the Motion and any objections thereto will be held on November

28, 2000, at 10:00 a.m., Eastern Time, before the Honorable Stuart M. Bernstein, United States Bankruptcy Judge, United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004.

PLEASE TAKE FURTHER NOTICE that the moving and any objecting parties are required to attend the hearing, and failure to attend in person or by counsel may result in the Motion being granted or denied upon default.

Dated: New York, New York November 15, 2000

> FRIED, FRANK, HARRIS, SHRIVER & JACOBSON (A Partnership including Professional Corporations) Attorneys for Debtors and Debtors-in-Possession One New York Plaza New York, New York 10004 (212) 859-8000

By: <u>/s/ Gerald C. Bender</u> Gerald C. Bender (GB-5849)

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UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

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In re: Chapter 11

: Case Nos. 00 B 41065 (SMB)
RANDALL'S ISLAND FAMILY GOLF : through 00 B 41196 (SMB)

CENTERS, INC., et al., : (Jointly Administered)

Debtors. :

MOTION FOR AN ORDER PURSUANT TO 28 U.S.C. § 1452 AND RULES 9006 AND 9027 OF THE FEDERAL

RULES OF BANKRUPTCY PROCEDURE EXTENDING PERIOD WITHIN WHICH DEBTORS MAY REMOVE ACTIONS

TO THE HONORABLE STUART M. BERNSTEIN UNITED STATES BANKRUPTCY JUDGE:

The above-captioned debtors and debtors-in-possession (the "Debtors"), for their motion (the "Motion") for an order pursuant to 28 U.S.C. § 1452 and Rules 9006 and 9027 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") extending the period within which the Debtors may remove actions, respectively state as follows:

#### Background

1. On May 4, 2000 (the "Filing Date"), each of the Debtors filed with this Court separate voluntary petitions for relief under chapter 11 of the Bankruptcy Code. By order of this

Court dated as of the Filing Date, the Debtors' chapter 11 cases are being jointly administered. Pursuant to sections 1107 and 1108 of the Bankruptcy Code, the Debtors are continuing to operate their businesses and manage their properties as debtors-in-possession.

- 2. The Debtors operate golf, ice skating and family entertainment centers throughout North America. As of the Filing Date, the Debtors owned and/or operated 100 golf facilities and 17 ice skating and family entertainment centers.
- 3. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), in that it is a matter concerning the administration of the Debtors' estates. The statutory predicates for the relief sought herein are 28 U.S.C. § 1452 and Bankruptcy Rules 9006 and 9027.
- 4. On July 20, 2000, the Debtors filed a motion to extend the time within which the Debtors may file notices of removal with respect to the Prepetition Actions (as defined below) (the "Removal Period"). On August 8, 2000, this Court entered an order extending the Removal Period until November 30, 2000.

# Relief Requested

5. As of the Filing Date, the Debtors were party to certain civil actions pending in various forums (collectively, the "Prepetition Actions"). The Debtors' Removal Period is currently scheduled to expire on November 30, 2000. By this Motion, the Debtors request the entry of an order, pursuant to Bankruptcy Rule 9006(b), further extending, by approximately 120 days, through and including March 31, 2001, the Removal Period.

- The Debtors are parties to numerous Prepetition In certain of those actions, the Debtors have filed counterclaims and crossclaims. In determining whether to request removal of any particular Prepetition Action, various issues must be evaluated. Since the Filing Date, however, the Debtors have been required to devote a substantial amount of time to numerous other matters of immediate import, including paring down unprofitable operations and stabilizing their businesses. Court is aware, the Debtors recently concluded the sale of certain of their underperforming fee-owned and leasehold interests to Klak Golf, LLC, a transaction that required significant attention of the Debtors and their professional advisors. The Debtors have also rejected certain leases and are contemplating and negotiating transactions with respect to the disposition of a number of their properties and businesses. In addition, the Debtors and their professionals have been extremely busy addressing the varied concerns raised by numerous creditors and parties in interest. Moreover, the Debtors are also in the process of effectuating a management transition, whereby experienced restructuring professionals will be appointed as senior officers of the Debtors.
- 7. Because the Debtors were required to focus their attention on stabilizing their businesses, through effecting asset dispositions, addressing operational difficulties and resolving issues regarding management, additional time is needed to analyze each of the Prepetition Actions and make appropriate determinations concerning their removal. Without the requested extension, the

Debtors would be forced to make removal decisions that could be detrimental to the Debtors, their estates and their creditors.

Accordingly, an extension of the time period within which the Debtors may determine which Prepetition Actions, if any, should be removed is warranted.

# Applicable Authority

- 8. Section 1452 of the Judicial Code, 28 U.S.C. § 1452, provides for the removal of actions. Section 1452 provides in pertinent part:
  - (a) A party may remove any claim or cause of action in a civil action other than a proceeding before the United States Tax Court or a civil action by a governmental unit to enforce such governmental unit's police or regulatory power, to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under Section 1334 of this title.

28 U.S.C. § 1452.

9. Bankruptcy Rule 9027(a)(2) provides in pertinent part:

If the claim or cause of action in a civil action is pending when a case under the Code is commenced, a notice of removal may be filed only within the longest of (A) 90 days after the order for relief in the case under the Code, (B) 30 days after entry of an order terminating a stay, if the claim or cause of action in a civil action has been stayed under § 362 of the Code, or (C) 30 days after a trustee qualifies in a chapter 11 reorganization case but not later than 180 days after the order for relief.

Fed. R. Bankr. 9027(a)(2).

10. Bankruptcy Rule 9006(b)(1) provides that the Court may extend unexpired time periods, such as the Debtors' removal period, without notice:

[W]hen an act is required or allowed to be done at or within a specified period by these rules or by a notice given thereunder or by order of court, the court for cause shown may at any time in its discretion . . . with or without motion or notice order the period enlarged if the request therefor is made before the expiration of the period originally prescribed or as extended by a previous order . . .

Fed. R. Bankr. 9006(b)(1).

Accordingly, this Court is authorized to grant the relief requested herein. See, e.g., Pacor, Inc. v. Higgins, 743 F.2d 984, 996 n.17 (3d Cir. 1984) (under Bankruptcy Rule 9006(b), "it is clear that the court may grant such an extension [of time to remove]"); Jandous Elec. Constr. Corp. v. City of New York (In re Jandous Elec. Constr. Corp.), 106 B.R. 48, 50 (Bankr. S.D.N.Y. 1989) (period in which to file motion to remove may be expanded pursuant to Bankruptcy Rule 9006); Saint Joseph's Hosp. v. Department of Police Welfare of the Commonwealth of Penn. (In re Saint Joseph's Hosp.), 103 B.R. 643, 648 (Bankr. E.D. Pa. 1989) (court extended 90-day time period in which to seek removal of pending state court litigation). Courts in other major chapter 11 cases in the Second Circuit and other jurisdictions have granted the same or similar relief to that sought herein. See, e.g., In re The Singer Company N.V., et al., Case No. 99-10578 (BRL) (Bankr. S.D.N.Y. June 22, 2000) (granting third extension for total of

approximately 300 days); <u>In re Loewen Group International, Inc., et al.</u>, No. 99-1244 (PJW) (Bankr. D. Del. Sept 20, 1999) (270-day extension).

### Best Interests of the Estates

the best interests of the Debtors, their estates and their creditors. The extension sought will afford the Debtors and the incoming management team the additional time needed to make informed decisions concerning removal of each Prepetition Action, ensuring that the Debtors do not forfeit valuable rights under Section 1452. In addition, if and when a Prepetition Action is removed, any party to that action may thereafter seek to have it remanded pursuant to Section 1452. Therefore, the requested extension of the time period during which the Prepetition Actions may be removed will not prejudice the rights of any other parties.

#### Notice

13. The Debtors have provided notice of this Motion to

(i) the Office of the United States Trustee, (ii) Berlack, Israels

& Liberman, LLP, counsel to the Official Committee of Unsecured

Creditors, (iii) Morgan, Lewis & Bockius, LLP, counsel for The

Chase Manhattan Bank, as administrative agent for certain lenders

under the Debtors' prepetition credit facility, (iv) counsel to the

non-debtor parties to the Prepetition Actions, and (v) all other

parties who have filed a notice of appearance in these chapter 11

cases. The Debtors believe that such notice is appropriate under

the circumstances of this Motion and that any additional notice

would not warrant the expense. Accordingly, the Debtors

respectfully request that any and all other and further notice be dispensed with and waived.

#### Waiver of Memorandum of Law

14. Given the nature of the relief requested in this Motion, the Debtor respectfully requests that this Court dispense with and waive the requirement for submission of a memorandum of law contained in Local Rule 9013-1(b).

## Prior Request

15. On July 20, 2000, the Debtors filed a motion with this Court requesting the entry of an order extending the Removal Period. On August 8, 2000, this Court entered an order extending such period until November 30, 2000.

WHEREFORE, the Debtors respectfully request entry of an order, substantially in the form attached to this Motion, further extending the Removal Period by approximately 120 days, through and including March 31, 2000, and granting such other and further relief as is just and proper.

Dated: New York, New York November 15, 2000

> FRIED, FRANK, HARRIS, SHRIVER & JACOBSON (A Partnership Including Professional Corporations) Counsel for Debtors and Debtors-in-Possession One New York Plaza New York, New York 10004 (212) 859-8000

By: <u>/s/ Gerald C. Bender</u> Gerald C. Bender (GB-5849)

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UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

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In re:
: Chapter 11
: Case Nos. 00 B 41065 (SMB)
RANDALL'S ISLAND FAMILY GOLF
: through 00 B 41196 (SMB)
CENTERS, INC., et al.,
:

(Jointly Administered)

Debtors. :

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ORDER PURSUANT TO 28 U.S.C. § 1452 AND RULES 9006 AND 9027 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE EXTENDING PERIOD WITHIN WHICH DEBTORS MAY REMOVE ACTIONS

Upon the Motion (the "Motion") of the above-captioned debtors and debtors-in-possession (the "Debtors"), for an order pursuant to 28 U.S.C. § 1452 and Rules 9006 and 9027 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") extending the period within which the Debtors may remove actions;

And it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2);

And it appearing that good and sufficient notice of the Motion has been given to (i) the Office of the United States

Trustee, (ii) Berlack, Israels & Liberman, LLP, counsel to the

Official Committee of Unsecured Creditors, (iii) Morgan, Lewis & Bockius, LLP, counsel for The Chase Manhattan Bank, as administrative agent for certain lenders under the Debtors' prepetition credit facility, (iv) counsel to the non-debtor parties to the Prepetition Actions, and (v) all other parties who have filed a notice of appearance in these chapter 11 cases;

And it appearing that no other or further notice of the Motion need be given;

And good and sufficient cause appearing therefor; it is hereby

ORDERED that the time period provided by Bankruptcy
Rule 9027 within which the Debtors may remove actions is extended
to and including March 31, 2001; and it is further

ORDERED that this order shall be without prejudice to the Debtors' rights to seek further extensions of time within which to remove actions.

UNITED STATES BANKRUPTCY JUDGE

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